

SEWER TASK FORCE

City Hall, Conference Room 2A

Meeting Minutes- Tuesday, November 30, 2010

Present: Rick Buford, John Haynes representing Greg Watts, Scott Southwick, Mark Stevenson, Lee Terry, Brian Toohey.

Absent: Ken Nivens, Greg Watts

City Staff: John Blattel, Acting Finance Director; Patricia Bollmann, Utility Accounts/Billing Supervisor; Lori Fleming, Finance Director; John Glascock, Director of Public Works; Cavanaugh Noce, Assistant City Counselor; and Sarah Talbert, Senior Rate Analyst with Public Works
Pat Burbridge, Public Works Department/Secretary for the meeting

Others in Attendance: Mr. Curt Kirtley, Mr. Tom Ratermann, and Mr. Bill Weitkemper

CALL TO ORDER

The meeting was called to order at 3:00 p.m. by Mr. Toohey.

AGENDA ITEMS

Approve Minutes from Previous Meeting on November 19, 2010

Mr. Toohey asked that approval of the minutes of the meeting of November 19, 2010 be held for the next meeting.

Continue to Discuss and Recommend Changes to Sewer Ordinances and Billing

Mr. Stevenson introduced Mr. Curt Kirtley, Property Manager for Broadway Communities, who wanted to make some comments. Mr. Kirtley has a master meter for his apartments. He expressed concern that his sewer bill had gone from \$100 per month to \$1,000 per month a few years ago. He felt there should be equity in the relationship between the water bill and the sewer bill. Mr. Stevenson read a statement as to "how differently and unfairly owners of many master metered apartments and mobile home parks were treated as compared to the owners of master metered commercial properties, the University of Missouri, and even other master metered apartment owners. Many apartments, mobile home park owners, were given 30 days notice of a substantial increase in sewer charges. There is yet to be any additional sewer charge billed to any master metered commercial property. The University was given a year's advance notice that a change was going to be made and then offered a ten-year implementation agreement. There are still several master metered apartments that are being charged a single sewer base charge." Mr. Stevenson said that Mr. Kirtley wanted it to be noted in the minutes the difference in the way they are treated and possibly bring up the equal protection Fourth Amendment Constitutional problem. Mr. Kirtley said he felt there are still some buildings still not being charged, and he has been paying for an extended period of time and he doesn't feel that has been equitable. He has been paying since 2007 or 2008. Mr. Stevenson stated that Mr. Kirtley has brought this matter to the attention of the Apartment Association, and a possible law suit had been mentioned at that time. The Association was trying to find another solution to the problem. Mr. Kirtley said he had talked to Mr. Watkins, Mr. Glascock, and Ms. Fleming about the issue. Ms. Fleming said that the City had followed a process. It was the intent to send out notices as part of that process and it was an error on the City's part that that did not happen. There is a difference in the ordinance between residential and commercial, and the base fees because of that difference. She apologized to Mr. Kirtley and said that she understood his issue. This needs to be taken into consideration as we move forward. Mr. Kirtley said that at his residence he pays \$1 sewer for \$1 water, but at his rental properties he is paying \$1.50 sewer for \$1 water. Ms. Fleming said that ratio would depend on volume charges per unit.

Mr. Glascock stated that Mr. John Haynes is representing the University of Missouri in place of Mr. Greg Watts who had a medical emergency last week.

Ms. Fleming discussed the Sewer Rate Proposals information that had been requested previously. The handout is attached to these minutes. This information is based on the possibility of billing solely on volume usage. Mr. Stevenson said that he thought it would be simple and clear to bill based on volume only. Ms. Fleming stated again that there is not a requirement to have a base fee, but it is a sounder business model used across the United States to have a base fee. Mr. Toohey reminded the group that they had already agreed to have only two groups: residential and non-residential. Mr. Buford said that he is still more in favor of the meter equivalency model. Ms. Fleming said that if an apartment complex is considered non-residential, they would be charged meter equivalency. Her department would run the numbers based on the definitions decided upon. There was a lot of discussion on how to define non-residential and residential properties. It was suggested that a residence be defined as a single dwelling unit served by one meter with one base fee, and it would qualify for Winter Quarter Average. Everything else without an individual meter per unit (master meter) will be non-residential and would be charged a base fee based on a meter equivalency and be billed for actual volume. The meter equivalency of a 5/8" meter should be the same as one residential unit, and will be billed on actual usage.

Continue to Discuss owner liability, continuous base charge and winter quarter average (WQA)

It was agreed after much discussion that a unit must use at least 2 CCFs to qualify for WQA. This information would be updated annually.

Ms. Fleming said that she has enjoyed working with the group. She announced that Mr. John Blattel will be the Acting Finance Director and will be attending future meetings of the Task Force. Members wished her luck in her new position.

It will not be the owner's responsibility if a tenant does not pay the utility bill. Whoever gets billed for the water meter will get billed for the sewer fee.

Mr. Noce will prepare the definitions and policy. The Finance Department will run the numbers based on the proposed definitions. Mr. Glascock will prepare a Council memo after the Task Force has approved the wording of the definitions and policy.

The meeting was adjourned at 4:08 p.m. The next meeting is scheduled for Wednesday, December 15, 2010 at 3:00 p.m.